VZCZCXRO8819 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHBK #1223/01 1401032 ZNY CCCCC ZZH O 201032Z MAY 09 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC IMMEDIATE 7067 INFO RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 5431 RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHKO/AMEMBASSY TOKYO PRIORITY 1623 RUEHBJ/AMEMBASSY BEIJING PRIORITY 7058 RUEHUL/AMEMBASSY SEOUL PRIORITY 5502 RUEHBY/AMEMBASSY CANBERRA PRIORITY 9680 RUEHMO/AMEMBASSY MOSCOW PRIORITY 1613 RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 6580 RUEHGV/USMISSION GENEVA PRIORITY 2130 RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 04 BANGKOK 001223

SIPDIS

STATE FOR EAP/MLS, NSC FOR PHU, GENEVA FOR RMA

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TAGS: PREL PGOV PREF TH

SUBJECT: THAILAND: FM KASIT AND AMBASSADOR DISCUSS BURMA,

BILATERAL RELATIONS, THAKSIN

REF: BANGKOK 1219

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Classified By: Ambassador Eric G. John, reason 1.4 (b,d)

- 11. (C) Summary: Thai FM Kasit Piromya hosted Ambassador for lunch May 20 to follow-up Kasit's April 24-26 visit to Washington and his May 16 telcon with Secretary Clinton. Burma and bilateral relations dominated the conversation. On Burma, Kasit stressed that the top priority should be Aung Sang Suu Kyi's (ASSK) release, that the UN should add its voice to ASEAN's, that Thailand would continue to raise its concern with Burmese officials, and that a Thai diplomat would have brief access to ASSK later May 20. On the bilateral relationship, Kasit reiterated his desire to forge a more strategic policy dialogue in which Thailand and U.S. discussed high priority diplomatic, security, and economic policy issues and the future of the alliance together, rather than Thailand waiting to react to U.S. proposals. Ambassador raised our concerns with the Thai handling of the Lao Hmong held in Nong Khai and Phetchabun, thanked Kasit for the MFA's testimony in the just concluded extradition hearing of Russian arms trafficker Viktor Bout, and asked Kasit to assist in the renewal of the agreement between CDC and the Ministry of Public Health. Kasit underscored continued RTG concern about the machinations of fugitive former PM Thaksin.
- 12. (C) Comment: In his personal commitment on both Burma policy/ASSK's status and refreshing the Thai-U.S. alliance dialogue, FM Kasit continues to be a breath of fresh air, providing us an opening to work with our treaty ally to advance our policy agenda for the region. Kasit expressed the desire to facilitate a visit by PM Abhisit to Washington in the August timeframe, if there were any suitable windows we could suggest. It will have been nearly four years since a Thai PM last visited Washington (September 2005), and we strongly support facilitation of such a visit, including a White House meeting. End Summary and Comment.

Burma and ASSK

 $frac{1}{4} ext{3} ext{.}$ (C) FM Kasit reviewed the substance of his May 16 telcon

with Secretary Clinton about ASSK and Burma with Ambassador and PolCouns over lunch May 20. Kasit said the number one priority should be the release of ASSK and political prisoners in Burma. Without that, there was no possibility of national reconciliation or an inclusive election in 2010. Kasit stated that the UN needed to swing into action in the wake of the May 18 ASEAN Chair Statement (ref A), which he said was based on an initial Indonesian draft and previewed with the Burmese prior to release. UNSYG Ban should weigh in; Special Envoy Gambari should travel to Burma as soon as possible, and the U.S. could initiate UN Security Council review of the situation. Ambassador noted that the U.S. was pushing efforts in New York.

- ¶4. (C) ASSK's arrest was a test by the regime to gauge the international response ahead of the 2010 elections in Kasit's opinion; now was the time for more international pressure on Burma, to try to force it to respond to international concerns. There was a need for international coordination on an organized, systemic basis; the international community had placed many eggs in the UN basket, so far without result. Ambassador noted that the ASEAN Chair statement was stronger than expected and thanked Thailand for its leadership on the issue; this was the first time in years that there was such cooperation between the U.S. and Thailand on Burma.
- 15. (C) Burmese officials had offered 10-15 minute access to ASSK to diplomatic community representatives later on May 20, Kasit revealed -- Singapore as dean, Thailand as ASEAN Chair, and Russia as UNSC Chair. The Thai Ambassador was currently in the capital of Naypitaw with the visiting Thai Minister of Labor Pitoon to work on an agreement on migrant labor; Kasit had instructed the acting DCM to ask ASSK about her health

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and her views of the legal process against her, and to emphasize that the Thai government fully supported her and was pushing for her release.

16. (C) The current Democrat Party-led Thai government based its foreign policy, including Burma policy, on the liberal perspective of the Democrat Party, Kasit asserted. see his Burmese counterpart in the coming days at the Asia-European (ASEM) Foreign Ministers meeting in Hanoi and would raise Thai concerns on ASSK directly (note: the possible visit to Burma Kasit had mentioned to the Secretary has been postponed. end note). He would reiterate that Thailand's policy towards Burma would be based on neither conflict nor vested business interests, as in the past. Thailand would continue specific promised cooperative projects--30 km of new road from Mae Sot (part of a pan-Asian East-West Highway), a bridge, an industrial estate--but it would not hesitate to speak out on sensitive issues like ASSK's arrest, even if Burma attempted to retaliate by temporarily closing the border to border trade and migrant labor working in border factories.

Bilateral relations: Dialogue, Alliance, Economic

- 17. (C) FM Kasit thanked Ambassador and Washington officials for arranging his productive April visit to Washington. Following up on his suggestion of a high-level policy dialogue, Kasit indicated that he would be prepared to explore an agenda once the EAP A/S-designate was confirmed and traveled to Thailand for the expected next Strategic Dialogue, which Ambassador and Kasit agreed would benefit from a suitably high-ranking OSD official as well. Kasit suggested inclusion of issues such as our respective views of China and its role in the region/world, and what we wanted to do together as allies, in the region and beyond. Ambassador agreed with Kasit's approach, noting that another topic worth discussing was key issues in the UN, including human rights votes.
- 18. (C) Returning to a theme he had stressed in the past,

Kasit said that Thai foreign policy in general and its relations with the U.S. had become too reactive, waiting for U.S. proposals. The U.S. and Thailand should engage on issues such as the future presence and activities of the 7th fleet in Southeast Asia. Kasit said that he would engage PM Abhisit, the Ministers of Finance, Defense, and Interior, as well as the National Security Council SecGen in an "executive" session of the NSC chaired by Abhisit to consider ways of enhancing the Thai-U.S. relationship.

- ¶9. (C) On security matters, Kasit had recommended to Defense Minister Prawit that he also travel to the U.S. to engage on a variety of defense policy and security assistance matters and hoped the U.S. could invite Royal Thai Army Commander Anupong for a visit. Ambassador stressed the importance of the Thai military implementing the next stage of the Defense Resource Management System (DRMS) to prioritize procurement requests and expressed hope GEN Anupong would attend a Pacific Army Chiefs meeting in Japan later this year.
- 110. (C) On economic matters, Kasit expressed hope that, with a Free Trade Agreement off the table for now, Thailand and the U.S. could work on possible sectoral agreements, such as enhancing investment, fighting counterfeit medicines and other IPR infringements, and pursuing the possibility of joint procurement. Ambassador raised three areas of concern/promise: IPR enforcement, in which the recent raid on the Patpong night market had shown much appreciated good intent, albeit with issues in implementation; customs law revision; and cooperation within the Greater Mekong subregion between Thailand, Cambodia, Laos, and Vietnam with U.S. support.
- 111. (C) Kasit indicated his willingness to host a
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- U.S.-Thai-Vietnam-Lao-Cambodia "Mekong" Ministerial at the time of the ARF/PMC in July, called the failings of the Thai Customs one of the "long-standing ills of our society, along with the police," and said that the Cabinet had urged deputy Commerce Minister Alongkorn to "go after the big boys" in IPR infringement, not the petty stall owners in Patpong. On better customs valuation, Kasit suggested using the AmCham and Thai Board of Investment as go-betweens for U.S. firms and the Customs/Port operators. Kasit had also told Finance Minister Korn that Customs Department reform was essential; calling some customs procedures "criminal acts," Kasit said that Thai promotional road shows overseas were worthless if customs and port shortcomings could not be worked out.
- 112. (C) Ambassador thanked Kasit for the testimony of the MFA DG for Legal Affairs and Treaties in the May 19 final extradition hearing session for notorious Russian arms trafficker Viktor Bout; a decision is expected in August. Ambassador noted our concern that Bout's lawyer had filed a nuisance criminal complaint against three DEA agents involved in the Bout case; were the case to proceed, it would put a chill on decades of fine U.S.-Thai joint law enforcement work. Following up on an issue raised during former President Bush's August 2008 visit, Ambassador asked Kasit's assistance in pressing the Ministry of Public Health (MOPH) to name a negotiator to extend the CDC-MOPH Memorandum of Agreement before it expires June 9. The USG now had C-175 authority in hand, but there was no one on the Thai side to sign the extension.

Lao Hmong

13. (C) Ambassador flagged a recent House draft bill that would grant P-2 status to all Hmong from Laos, a reaction to the (mis)handling by Thai authorities of the populations at Nong Khai and Phetchabun. Ambassador suggested that the RTG take several steps to improve the situation: consider moving the 172 persons of concern out of the Nong Khai detention center and returning them to the Lopburi community where they

were located prior to arrest while their final status is determined; and increasing transparency regarding the Phetchabun population, including provision to the U.S. Embassy of a (long-promised) list of the cases screened by the Thai in January 2008 and consideration of using a provincial admissions board (PAB) approach that has worked well with Burmese refugees.

114. (C) Referencing his first trip to Nong Khai, Kasit suggested that it was time for him to make another visit. The Lao President recently visited Thailand and struck Kasit as a reasonable man with whom they could work. The Thai had tried hard to accommodate Lao concerns to rebuild the relationship; the bigger challenge was MFA relations with the Ministry of Interior and the military, who were used to being unquestioned on issues they "owned." Kasit wanted to empower the MFA representatives on such issues, as a reminder that the civilian government should determine policy, not security officials. Kasit suggested Ambassador raise the issues with DPM Suthep, who oversaw all security issues (note: Ambassador has a June 1 lunch scheduled with Suthep and will raise the Lao Hmong issue at that time).

Thaksin

115. (C) Kasit stated that fugitive former PM Thaksin was currently shopping for new consultants after several firms had recently withdrawn from his services and asked Ambassador if the USG could help discourage U.S. firms from assisting Thaksin. "This isn't lobbying for shrimp imports or Special 301 status," intoned Kasit, "but about helping someone who wants to end the current Thai monarchy and split the country. We simply cannot remain still in the face of such efforts." Ambassador stressed that the USG had taken note of Thaksin's

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call for revolution prior to the mid-April riots by his redshirt supporters, a marked departure from Thaksin's earlier rhetoric. However, the USG would not engage private sector firms in the way Kasit suggested; The RTG was free do to so, but Thaksin's recent actions and statements were probably the best deterrent.

116. (C) Kasit asked whether USG law enforcement or intel agencies could help track Thaksin as he moved around the globe. Ambassador replied that would neither be possible nor a wise use of resources, and questioned whether the RTG truly wanted Thaksin's return to Thailand. Kasit acknowledged that Thaksin's return would probably be politically too hot to handle, and added that there were a number of people who might try to shoot him. The RTG remained interested in tracking his movements, however.